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TAGS: [PGOV](#) [PO](#)  
SUBJECT: PORTUGUESE OPPOSITION SEEKS NEW LEADER

Classified By: POL CHIEF TROY FITRELL, REASONS 1.4 (B,D)

¶1. (C) Summary. In the race to lead the major center-right party, the able and unifying Manuela Ferreira Leite faces the polarizing but canny Pedro Santana Lopes. Santana Lopes, a former party leader and Prime Minister, has a significant faction behind him, but his widely disparaged government makes many party faithful wish to look elsewhere. Ferreira Leite's broad appeal, both in the party and with the overall electorate, makes her the legitimate favorite. End summary.

Heading

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¶2. (C) After six months on the job, leader of the center-right Social Democratic Party (PSD) Luis Filipe Menezes resigned his position April 17. Menezes was never able to repair the internal party divisions resulting from his own successful 2007 challenge to former leader Luis Marques Mendes, nor was he able to demonstrate a viable challenge to the Socialist Party government led by Prime Minister Jose Socrates.

¶3. (U) Candidacies to replace him have been muddled by conflicted loyalties and overlapping support factions within the party. Party number two Rui Rio, Mayor of Porto, refused to present a candidacy which cleared the way for Manuela Ferreira Leite, a former Minister of Education and of Finance and a technocrat with broad appeal. She is a protege of President Cavaco Silva, who is Portugal's most popular politician and she is broadly respected for her intellect and experience.

¶4. (C) One of Ferreira Leite's strengths is that she had refused to serve in the short-lived and widely disparaged government of Pedro Santana Lopes in 2004-5. Santana Lopes himself, however, is expected to declare his candidacy for the May election in the coming days. Santana Lopes is everything Ferreira Leite is not: a life-long politician, aggressive and confrontational. Also, as a former leader and Prime Minister, Santana Lopes has a grip on a strong faction within the party, despite having led the PSD to its worst-ever defeat in 2005. Santana Lopes' political career, written off by many, was revived recently when Menezes named him leader of the PSD bloc in the National Assembly. Ironically, Menezes did so in an attempt to smooth over internal party divisions.

¶5. (C) There are three other declared candidates, including a parliamentarian and former youth leader running on a platform of "change", the deputy leader of the PSD parliamentary bloc, and a successful entrepreneur, although none of the three are considered viable candidates. Party insiders tell us the former youth leader is hoping to raise his profile, while both he and the deputy parliamentary leader harbor hope to emerge as a compromise candidate, should Ferreira Leite and Santana Lopes battle to a standstill. The entrepreneur, who cheerfully admits he might not gather enough signatures in

time to be an official candidate, hopes to keep debate focused on basic center-right party principles rather than political posturing or personal attacks. Nonetheless, he too hopes to be a compromise candidate, given his extensive experience in business, government, and academia.

¶6. (U) In addition to Rui Rio, several other major party figures chose not to present candidacies. Menezes allegedly implored Madeiran President Alberto Joao Jardim to stand, but Jardim refused and endorsed Santana Lopes. Many observers viewed former Minister of Justice Jose Pedro Aguiar Branco as a serious candidate, but he refused to stand because he favors Ferreira Leite. Neither Marques Mendes nor Menezes is challenging for the leadership, although some believe that Menezes might still return to the fight.

Comment

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¶7. (C) It is essentially a choice between the able and unifying Ferreira Leite or the polarizing but canny Santana Lopes. Neither is charismatic, but that is not seen as a particular hindrance in Portuguese politics. As leader of the PSD bench, Santana Lopes faces Prime Minister Socrates on a daily basis, but has made no noticeable headway against him. Ferreira Leite would be a much more formidable PSD leader in the 2009 general elections due to the broad respect she commands across the electorate, but she will need to navigate the party leadership election without drawing too much blood to have that chance. Santana Lopes is tainted with the stench of defeat, so we expect the party to turn to Ferreira Leite. Whoever wins will have the challenge of turning the PSD into a credible alternative to the PS and Prime Minister Socrates, who remains the least unpopular of major party leaders.  
Stephenson